GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1423
ANSWERED ON:04.03.2016
Banks' Balance Sheet
Charitra Shri Ram

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has asked all the banks to clean up their balance sheets, if so, the details thereof;

(b) whether the RBI has set a deadline in this regard; and

(c) if so, the details thereof?

Answer

The Minister of State in the Ministry of Finance

(a) to (c) : Reserve Bank of India (RBI) recently conducted an "Asset Quality Review" simultaneously across 36 banks with specific focus on compliance with RBI guidelines on Income Recognition, Asset Classification and Provisioning and other such matters. Based on the findings of the above review, these banks have been advised to classify these assets strictly as per the Income Recognition, Asset Classification (IRAC) norms and make provisions where necessary by March 31, 2016. Banks were also advised that in the case of failed Corporate Debt Restructured (CDR) cases, additional prudential provisioning be made in a phased manner from April 01, 2016 to March 31, 2017.
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